### August 2020





## Farm Service Agency Electronic News Service

# NEWSLETTER

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## Nebraska FSA State Office Newsletter

### Nebraska Farm Service Agency - State Office

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**State Executive Director:** Nancy Johner

**State Committee:** Scott Spilker, *chair* 

# A Message from the State Executive Director

It's hard to believe we already find ourselves in the month of August, with over half of 2020 behind us. Even with less activities and functions to attend due to the pandemic, the year so far has flown by. At the Nebraska USDA Farm Service Agency, we continue to be busy and ask for your ongoing patience and attention as we near the finish line on a couple of critical programs.

Just last week we announced a few key items related to the Coronavirus Food Assistance Program (CFAP). In Nebraska, FSA already has distributed almost \$509 million in financial assistance

Geoff Ruth Lonnie Starke Mark Jagels

#### **Program Chiefs:**

Cathy Anderson,
Production/Compliance
Doug Klein,
Conservation/Price Support
Mark Wilke, Farm Loans
Tim Divis, Executive Officer

To find more information about FSA programming or contact information for your local office, go to www.fsa.usda.gov/ne.

to both livestock and crop producers impacted by the pandemic. A large number of new eligible commodities were added to the program last week, including a few raised in Nebraska, such as sheep over two years of age, aquaculture and nursery crops. The application period also was extended, and **the new deadline is set for Friday, Sept. 11**. The announcement also noted the second part of each applicant's CFAP payment, the remaining 20 percent, would be issued. If you have an already-approved CFAP application, no action is required on your part to receive the remaining 20 percent; county FSA offices will be processing those payments soon. To read more about the CFAP announcement, including a listing of all the new eligible commodities, **click** here or visit the CFAP website.

The **deadline** is **Wednesday**, **Sept. 30**, for folks to update their Price Loss Coverage (PLC) yields for commodity crops covered under the 2018 Farm Bill. This is a one-time opportunity to do a yield update, and it doesn't matter whether you selected the Agriculture Risk Coverage or the Price Loss Coverage option for your farm for 2020. See the below article for additional details and then contact your county FSA office if you want to learn more about this option.

We are keeping an eye on the <u>U.S. Drought Monitor</u> as conditions, unfortunately, continue to deteriorate in some parts of Nebraska. The drought monitor serves as a trigger for a couple of Farm Service Agency drought-related assistance programs, including the <u>emergency haying and grazing provisions of the Conservation Reserve Program (CRP)</u> and the <u>Livestock Forage Disaster Program (LFP)</u>. While no counties have triggered yet for LFP, several are approved for emergency haying and grazing of CRP, with more being added weekly as the drought monitor is updated. Counties that have been approved are listed on the <u>Nebraska FSA website</u>. Anyone interested in the use of the CRP emergency haying and grazing option must contact their county FSA office prior to beginning any activities on their contract acres. We want to help you stay in compliance on your CRP contract, so please give us a call first. While, like you, we prefer timely rains in just the right amount, we will do our best to provide you drought assistance through these programs.

That's all for this month. Take care and talk to you in September.

-- Nancy Johner

### One-Time PLC Yield Update - Deadline is September 30

Farm owners have a one-time opportunity to update PLC yields of covered commodities on the farm, regardless of Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program election. The deadline to request a PLC yield update is September 30, 2020.

The updated yield will be equal to 90 percent of the average yield per planted acre in crop years 2013-2017 (excluding any year where the applicable covered commodity was not planted), subject to the ratio obtained by dividing the 2008-2012 average national yield by the 2013-2017 average national yield for the covered commodity. If the reported yield in any year is less than 75 percent of the 2013-2017 average county yield, then the yield will be substituted with 75 percent of the county average yield.

It is the owner's choice whether to update or keep existing PLC yields. If a yield update is not made, then no action is required to maintain the existing PLC yield. An existing or updated PLC yield will be maintained and effective for crop years 2020 through 2023 (life of the 2018 Farm Bill).

PLC yields may be updated on a covered commodity-by-covered commodity basis using FSA form CCC-867.

For more information, reference resources and decision tools, visit <u>farmers.gov/arc-plc</u>. Click the Resources button for a yield update calculator. Producers also can contact their local Farm Service Agency office for assistance. To find the nearest office, visit <u>farmers.gov/service-center-locator</u>.

# FSA Accepting Coronavirus Food Assistance Program (CFAP) Applications Through Sept. 11

The USDA Farm Service Agency (FSA) is accepting applications to the Coronavirus Food Assistance Program (CFAP) from farmers and ranchers who have been negatively impacted by the coronavirus pandemic. FSA will accept CFAP applications through Sept. 11, 2020.

Through CFAP, USDA is making available \$16 billion in financial assistance nationwide to producers of agricultural commodities who have suffered price declines due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities. In Nebraska, a variety of crop and livestock commodities are eligible under the program.

Farmers and ranchers interested in learning more about CFAP are encouraged to utilize these resources:

- Producers can download the CFAP application and other eligibility forms from the <u>farmers.gov/cfap</u> website. Also on that website, producers can find a CFAP Application Generator and Payment Calculator to help them identify sales and inventory information needed to apply.
- Customers seeking one-on-one support with the CFAP application process can call 877-508-8364 to speak directly with a USDA employee ready to offer general assistance. This is a recommended first step before a producer engages the team at the FSA county office at their local USDA Service Center.

Producers also are encouraged to contact their local Farm Service Agency office for more information and for assistance with the CFAP application process. To find the nearest office, visit the office locator feature at <a href="mailto:farmers.gov">farmers.gov</a>.

# **USDA Offers Annual Installment Deferral Option for Farm Storage Facility Loan Borrowers**

To assist Farm Storage Facility Loan (FSFL) borrowers experiencing financial hardship from the pandemic and other challenges in production agriculture, USDA's Farm Service Agency (FSA) is offering a one-time annual installment payment deferral option. No fees or prepayment penalties apply for borrowers who choose this FSFL loan flexibility option.

Eligible borrowers can request a one-time only annual installment payment deferral for loans having terms of three, five, seven or ten years. The installment deferral option is not available for 12-year term loans.

The FSFL installment payments will remain the same, except for the last year. The original loan interest rate and annual payment due date will remain the same. However, because the installment payment deferral is a one-year loan term extension, the final payment will be higher due to additional accrued interest.

Borrowers interested in exercising the one-time annual installment deferral option should contact FSA to make the request and to obtain, complete and sign required forms.

FSFLs provide low-interest financing for producers to store, handle and transport eligible commodities.

#### More Information

In addition to offering flexibilities for FSFLs, FSA has also made other flexibilities to help producers impacted by the pandemic, including relaxing the loan-making process for farm operating and ownership loans and implementing the Disaster Set-Aside provision that enables an upcoming installment on a direct loan to be set aside for the year. More information on these flexibilities can be found at <a href="mailto:farmers.gov/coronavirus">farmers.gov/coronavirus</a>.

For more information on FSA programs, contact your local USDA Service Center. To locate your local office, visit farmers.gov/service-center-locator.

### **FSA Offers Loan Servicing Options**

There are options for Farm Service Agency (FSA) loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about your options.

# USDA Accepting Applications to Help Cover Costs for Organic Certification

USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the <a href="Organic Certification Cost Share Program">Organic Certification Cost Share Program</a> (OCCSP). Applications are for eligible certification expenses paid between Oct. 1, 2019, and Sept. 30, 2020.

Applications are due Oct. 31, 2020.

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

#### **Changes in Reimbursement**

Due to expected participation levels for fiscal year 2020, FSA revised the reimbursement amount through fiscal year 2023. Certified producers and handlers are now eligible to receive reimbursement for up to 50 percent of the certified organic operation's eligible expenses, up to a maximum of \$500 per scope.

This change is due to the limited amount of funding available and will allow a larger number of certified organic operations to receive assistance. If additional funding is authorized later, FSA may provide additional assistance to certified operations that have applied for OCCSP, not to exceed 75 percent of their eligible costs, up to \$750 per scope.

#### **More Information**

To learn more about organic certification cost share, please visit the <a href="OCCSP webpage">OCCSP webpage</a>, view the <a href="notice of funds availability on the Federal Register">Notice of funds availability on the Federal Register</a>, or contact the <a href="FSA county office">FSA county office</a> at your local USDA Service Center. To learn more about USDA support for organic agriculture, visit usda.gov/organic.

# **USDA Announces Changes to Conservation Reserve Program Emergency Haying, Grazing Provisions**

USDA's Farm Service Agency (FSA) has announced changes for emergency haying and grazing use of acres enrolled in the Conservation Reserve Program (CRP). This includes changes outlined in the 2018 Farm Bill that streamlines the authorization process for farmers and ranchers.

Drought conditions are tough for our livestock producers, but emergency haying and grazing use of Conservation Reserve Program acres can provide some temporary relief.

#### **Program Changes**

Previously emergency haying and grazing requests originated with FSA at the county level and required state and national level approval. Now approval primarily will be based on drought severity as determined by the <u>U.S. Drought Monitor</u>.

To date, 28 counties in Nebraska have triggered eligibility for emergency having and grazing on CRP acres. A <u>list by state</u> and <u>map</u> of eligible counties are updated weekly and available on FSA's website. Eligible Nebraska counties also are listed on the front of the <u>Nebraska FSA webpage</u>.

Producers located in a county that is designated as severe drought (D2) or greater on or after the last day of the primary nesting season (July 15 in Nebraska) are eligible for emergency haying and grazing on all eligible acres. Additionally, producers located in counties that were in a severe drought (D2) status any single week during the last eight weeks of the primary nesting season may also be eligible for emergency haying and grazing unless the FSA County Committee determines that forage conditions no longer warrant emergency haying and grazing.

Counties that trigger for <u>Livestock Forage Disaster Program</u> (LFP) payments based on the U.S. Drought Monitor may hay only certain practices on less than 50% of eligible contract acres. Producers should contact their local FSA county office for eligible CRP practices.

Counties who don't meet the drought monitor qualifications but have a 40 percent loss of forage production may also be eligible for emergency haying and grazing outside of the primary nesting season.

Before haying or grazing eligible acres, producers must submit a request for CRP emergency haying or grazing to FSA and obtain a modified conservation plan from the Natural Resources Conservation Service (NRCS).

Emergency grazing is authorized for up to 90 days and emergency haying is authorized for up to 60 days. Program participants must stop haying and grazing 30 days before the first freeze date in the fall based on the dates established for LFP.

Under the emergency grazing provisions, producers can use the CRP acreage for their own livestock or may grant another livestock producer use of the CRP acreage. The eligible CRP acreage is limited to acres located within the approved county.

For emergency haying, producers are limited to one cutting and are permitted to sell the hay. Participants must remove all hay from CRP acreage within 15 days after baling and remove all livestock from CRP acreage no later than 1 day after the end of the emergency grazing period. There will be no CRP annual rental payment reduction for emergency haying and grazing authorizations.

#### More Information

For more information on CRP emergency having and grazing visit <u>fsa.usda.gov/crp</u> or contact your FSA county office. To locate your FSA office, visit <u>farmers.gov/service-locator</u>. For more disaster recovery assistance programs, visit <u>farmers.gov/recover</u>.

# **FSA Accepting Enrollment for CRP Continuous Practices Through Aug. 21**

The Farm Service Agency (FSA) is accepting offers for specific conservation practices under the <u>Conservation Reserve Program (CRP) Continuous Signup</u>. Applications for the current fiscal year need to be returned by Aug. 21.

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program's long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.

Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers for continuous enrollment are not subject to competitive bidding during specific periods. Instead they are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

For more information, including a list of acceptable practices, contact your county USDA Service Center. To find your nearest Service Center, visit <u>farmers.gov/service-locator</u>.

### **New USDA Survey to Measure Areas for Improvement**

The U.S. Department of Agriculture (USDA) has announced a new annual survey of farmers, ranchers and private forestland owners. The survey will help USDA understand what it is doing well and where improvements are needed, specifically at the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA).

A selection of 28,000 producers will receive the survey over the next few weeks, but all farmers are encouraged to take the survey at farmers.gov/survey.

This survey is part of the President's Management Agenda. It requires High Impact Service Provider agencies across the federal government, including FSA and NRCS, to conduct annual surveys to measure and respond to areas needing improvement.

The survey consists of 20 questions and takes approximately 10 minutes to complete. Responses are confidential, and individual responses will be aggregated. The survey will be open for at least six weeks and will be closed once USDA receives a 30 percent response rate.

Learn more and take the survey at www.farmers.gov/survey.

# Report Noninsured Crop Disaster Assistance Program (NAP) Losses

NAP provides financial assistance to producers for crops that aren't eligible for crop insurance to protect against lower yields or crops unable to be planted due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

To receive payment, producers had to purchase NAP coverage for 2020 crops ahead of the production season and must file a notice of loss the earlier of 15 days of the occurrence of the disaster or when losses become apparent or within 15 days of the final harvest date.

For hand-harvested crops and certain perishable crops, producers must notify FSA within 72 hours of when a loss becomes apparent.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact the nearest county USDA Service Center or visit fsa.usda.gov/nap.

### **Conservation at Work Video Series**

A new video series from NRCS and farmers.gov, *Conservation at Work*, presents short and easy to understand videos about popular conservation practices. These videos feature producers explaining how an individual practice helps their land and why they are using it.

The videos shine the spotlight on farmers, ranchers, and forestland owners from across the U.S. who explain why they've implemented the conservation practices and how they work on their land. They also provide insight into how each practice is helping them protect and improve resources and save time and money.

#### The first 15 videos cover:

- Brush Management
- Cover Crop
- Forest Stand Improvement
- Grade Stabilization
- Grassed Waterway
- High Tunnel
- No Till
- Nutrient Management
- · Prescribed Grazing
- Pumping Station
- Sprinkler System
- Trails and Walkways
- Waste Storage
- Water & Sediment Control Basin
- Wetland Restoration

The Conservation at Work video series can be found at farmers.gov/conserve/conservationatwork.

### **FSA Dates to Remember and August Interest Rates**

#### **Dates to Remember:**

**August 21, 2020 –** Deadline to submit application for Conservation Reserve Program continuous practices and Conservation Reserve Enhancement Program

September 7, 2020 - FSA offices closed for federal holiday

**September 11, 2020 -** Coronavirus Food Assistance Program (CFAP) application deadline **September 30, 2020 -** Deadline to complete Price Loss Coverage (PLC) Program yield update **October 31, 2020 -** Application deadline for the Organic Certification Cost Share Program for certification expenses incurred Oct. 1, 2019, through Sept. 30, 2020

## August FSA Interest Rates OPERATING/OWNERSHIP

Farm Operating: 1.375% Microloan Operating: 1.375% Farm Ownership: 2.375%

Farm Ownership - Joint Financing: 2.5% Farm Ownership - Down Payment: 1.5% Emergency - Actual Loss: 2.375%

#### **FARM STORAGE**

Farm Storage Facility Loan 3 year term: 0.25% Farm Storage Facility Loan 5 year term: 0.25% Farm Storage Facility Loan 7 year term: 0.5% Farm Storage Facility Loan 10 year term: 0.625% Farm Storage Facility Loan 12 year term: 0.75%

#### **MARKETING ASSISTANCE**

Commodity Loan: 1.125%

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).